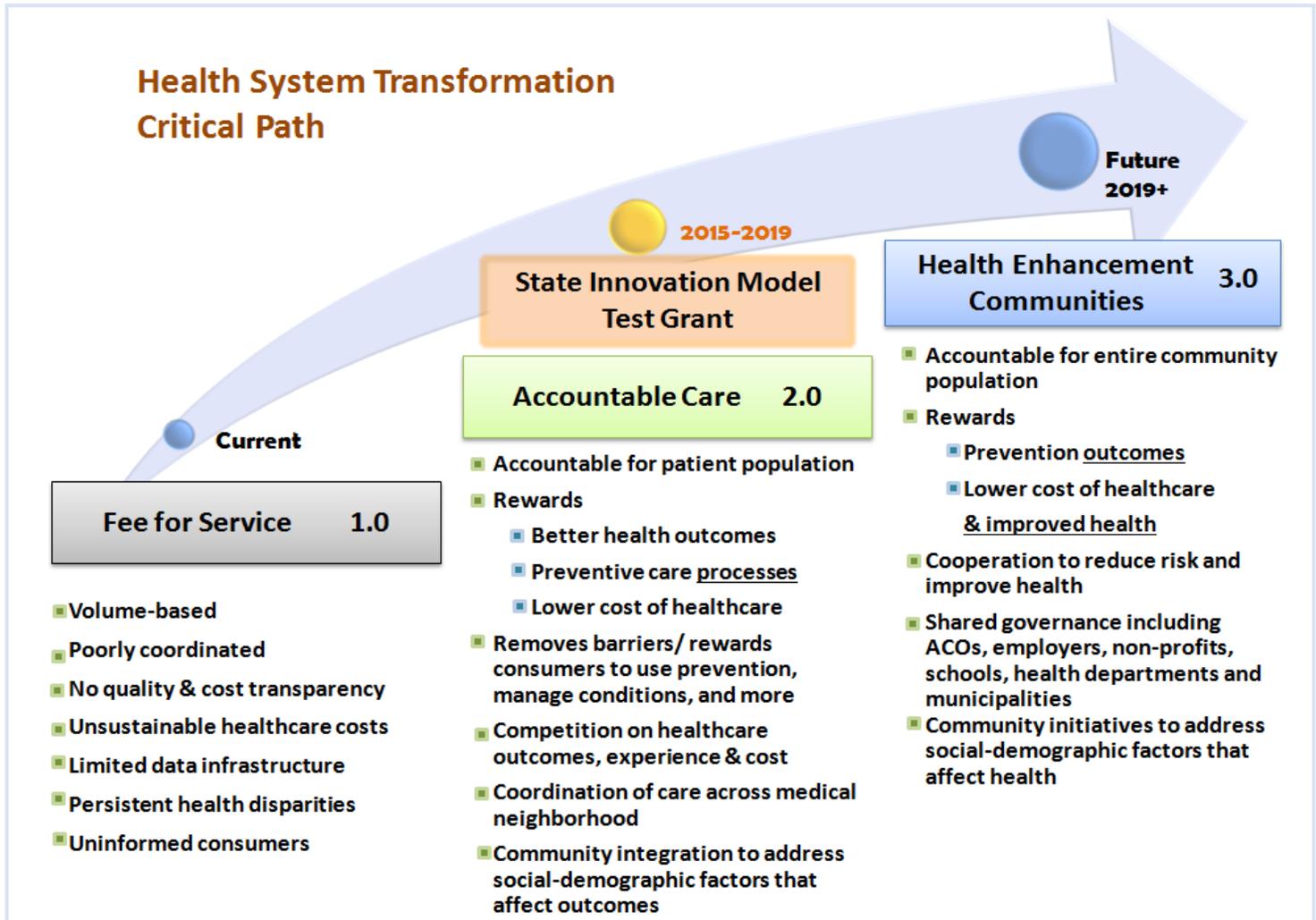


State Innovation Model (SIM)

- *What current strategies are you undertaking to contain costs and ensure continued or improved quality for your constituents? Include collaborations with partner state agencies and private partners?*

The State Innovation Model (SIM) program is a Centers of Medicare & Medicaid Innovation (CMMI) initiative to support the development and implementation of state-led, multi-payer healthcare payment and service delivery model reforms that will promote improved quality of care, healthier people, and smarter spending in participating states. In 2014 Connecticut received a \$45 million State Innovation Model (SIM) grant from CMMI to implement its plan for achieving this vision over a four year period (2015-2019).

Connecticut's SIM urgently and deliberately moves Connecticut's health care system along a path of transformation:



Connecticut's SIM proposes a multi-pronged strategy to transform Connecticut's healthcare system for the majority of residents. We promote a transition away from paying for a volume of fragmented services towards payments to providers based on whether individuals receive care that leads to better healthcare at a cost that does not exceed what is expected. We will provide technical assistance and supports to healthcare providers that want to succeed in these new payment models, so that they can connect individuals to community and behavioral supports, deploy community health workers, use data to track and improve on their performance, and more.

Simultaneously, we will engage consumers by promoting insurance plans that remove financial barriers to, or introduce rewards for preventive care, medication adherence, chronic disease management, and high-quality provider selection. Lastly, we will create a Population Health Plan that combines innovations in clinical healthcare delivery, payment reform, and population health strategies to improve health as a community approach, rather than one focused solely on patient panels.

Connecticut intends to continue these efforts beyond the Model Test period so that by 2020 CT achieves goals that include:

- **Improved rates of diabetes, obesity, and tobacco use, with reduced health disparities.**
- **Improved health care outcomes on measures including preventable ED admissions, cancer screenings, diabetes care, child well-visits and others; with reduced health disparities.**
- **88% of the Connecticut population goes to a healthcare provider that is accountable for the quality and cost of their care (Value-Based Payment Model).**
- **1,364 providers in 16 Advanced Networks & 1 Federally Qualified Health Center, and 300 primary care practices undergo a transformation program to improve care delivery.**
- **84% of the insured population has a value-based insurance plan that removes financial barriers/has rewards for preventative care, chronic condition management, and more.**

Connecticut's SIM is being implemented with a broad array of stakeholder involvement and input. The Lieutenant Governor provides overall leadership and oversight for SIM. SIM initiatives are being executed in collaboration by multiple agencies and organizations: Department of Social Services, Department of Public Health, Office of the State Comptroller, Access Health Connecticut and UConn Health. The SIM Program Management Office, within the Office of the Healthcare Advocate, is leading implementation, coordinating efforts with key partners and executing select initiatives directly.

In addition, SIM is engaging more than 100 stakeholders through a number of advisory work groups that focus on particular components of SIM such as health information technology, quality measurement, and practice transformation. These work groups are comprised of consumers, employers, healthcare providers, community organizations, and subject matter experts. Our Model Test also includes the participation of all five of Connecticut's major commercial payers, Medicare and Medicaid.

Connecticut's SIM is striving to achieve challenging yet attainable goals for population health, healthcare outcomes, health equity and cost reduction. Achieving our goals requires a multi-faceted approach with multiple interventions being leveraged at once. SIM interventions must impact the majority of those living in Connecticut, and are expected to continue and expand past the three-year performance period. The grant is meant to accelerate state-wide transformation efforts towards value-driven and sustainable models in healthcare. Instead of applying singular reforms or interventions, we apply multiple levers

simultaneously to drive change, such as changes to payment incentives, healthcare delivery standards, consumer-driven reforms, health information technology infrastructure, and regulatory levers. Although SIM funds support many initiatives directly, we also coordinate with other major initiatives such as the Medicare SSP, the Department of Social Services' person-centered medical home (PCMH) and administrative service organization (ASO) initiatives, and the CMMI funded Practice Transformation Network (PTN) initiative.

Refer to the next page for the **draft Driver Diagram**, which illustrates how SIM initiatives contribute to the primary drivers and to SIM aims.

State Innovation Model Draft Driver Diagram

<i>Aim</i>	<i>Primary Driver</i>	<i>Secondary Driver</i>
<p>By 6/30/2020 Connecticut will:</p> <p>Improve Population Health Reduce statewide rates of diabetes, obesity, and tobacco use</p>	<p>Promote policy, systems, & environmental changes, while addressing socioeconomic factors that impact health</p>	<p>Engage local and state health, government, and community stakeholders to produce a population health plan</p> <p>Identify reliable & valid measures of community health improvement</p> <p>Develop detailed design for Health Enhancement Communities (HECs) and Prevention Service Centers (PSC)s that include financial incentive model to reward communities for health improvement</p> <p>Build community structures and capabilities to improve health</p>
<p>Improve Health Care Outcomes Improve performance on key quality measures, increase preventative care and consumer experience, and increase the proportion of providers meeting quality scorecard targets</p>	<p>Engage consumers in healthy lifestyles, preventive care, chronic illness self-management, and healthcare decisions</p>	<p>Incentivize healthy choices by engaging employers to spread use of Value-Based Insurance Designs</p> <p>Provide transparency on cost and quality by creating a public common scorecard to report provider performance</p> <p>Hold public meetings, focus groups, listening tours, and other outreach strategies for healthcare consumers</p>
<p>Promote Health Equity Close the gap between the highest and lowest achieving populations for key quality measures impacted by health inequities</p>	<p>Promote payment models that reward improved quality, care experience, health equity and lower cost</p>	<p>All payers in CT use financial incentives to reward improved quality and reduced cost: launch Medicaid Quality Improvement & Shared Savings Program (MQISSP)</p> <p>Engage payers to increase proportion of CT population with a primary care provider responsible for quality and total cost of care</p> <p>Create a statewide multi-payer core quality measure set for use in value-based payment models</p> <p>Develop and deploy measurement solutions to support the use by all payers of EHR-based, outcome, health equity and care experience measures in value-based payment scorecards</p>
<p>Reduce Healthcare Costs 1-2% percentage point reduction in annual healthcare spending growth</p>	<p>Strengthen capabilities of Advanced Networks and FHQCs to delivery higher quality, better coordinated, community integrated and more efficient care</p>	<p>Community & Clinical Integration Program (CCIP): Provide technical assistance & awards to MQISSP participating entities to achieve best-practice standards in: comprehensive care management; health equity improvement; & behavioral health integration</p> <p>Promote use of Community Health Workers through developing policy framework, outreach, and toolkit</p> <p>Networks receive timely alerts for hospital related care events even when the hospital is not in their network</p> <p>Enhance analytics and efficient health information sharing across the health neighborhood</p> <p>Advanced Medical Home (AMH) Program: Provide support to primary care practices, within MQISSP participating entities, that are not medical homes to become AMHs</p>



○ ***Can you provide concrete data that describes the strategies, success in containing costs and improving quality?***

Each intervention is being undertaken because of its promise to impact our aims of better care, healthier people, health equity, and smarter spending on a state-wide basis.

For example, the SIM focus on promoting value-based payment models reflects a national consensus about the need to move from volume-driven fee-for-service payments to alternative payment models that reward better care at lower cost. Data from value-based payment efforts across the nation show positive early results, including quality improvements and cost savings, such as:

- In 2014, Medicare Shared Savings Program ACOs improved on 27 of 33 quality measures. Total net savings to the Medicare Trust Fund were \$465M. ACOs with more experience in the program were more likely to earn shared savings.
- Medicare Pioneer ACOs had total model savings of \$120M in 2014. They had higher scores for timely care and clinician communication, compared to those in fee-for-service Medicare. These ACOs showed improvement in medication reconciliation (from 70% to 84%), screening for clinical depression (from 50% to 60%), and 28 other quality measures.
- Anthem's Enhanced Personal Healthcare Model (EPHC) ACOs generated cost savings of \$9.51 per attributed member per month through reductions in acute patient stays, emergency room visits, and reduced outpatient surgery costs. EPHC providers outperformed peers on several clinical quality measures, and patients rated many aspects of their care experience better than comparison patients.

A second example is our ongoing work to accelerate healthcare delivery transformation to promote care delivery strategies that have shown success in Connecticut and/or nationally. For instance, the development of Community & Clinical Integration Program (CCIP) standards included a thorough planning process including an extensive literature review, Center for Medicaid and Medicare Innovation (CMMI) technical assistance, and interviews with subject matter experts and leadership teams running programs across the country and in Connecticut. Interviews and research included DSS experts and programs, Camden Coalition, which developed the approach called "hot spotting," and the Center for Healthcare Strategies (CHCS), one of the nation's foremost experts on Medicaid care delivery and payment reforms. Please see Appendix F and Appendix G of the [CCIP Report](#) for literature and data that supports a focus on CCIP capabilities for improving quality and reducing cost.

A last example are our efforts to promote Value Based Insurance Designs among employers so that employees have fewer barriers to accessing preventative care and incentives for staying healthy. The Health Enhancement Program, for state employees, has shown significant improvements on a variety of preventative measures, such as colonoscopy and mammography screening and receipt of lipid tests (Office of the State Comptroller, 2016). Marriot, an employer who has implemented VBID, saw a decrease in total spending of \$323 per member, and almost a doubling of their medication adherence percentage in all drug classes.¹

¹ <http://vbidcenter.org/the-evidence-for-v-bid-validating-an-intuitive-concept/>

We have other initiatives, such as our Population Health Plan work, which enters into new and more advanced territory in terms of overlaying advanced clinical care, new payment models, and public health and community strategies. For these and other aspects of our plan, SIM will begin to build the evidence basis for the types of innovative solutions that might bend the cost curve while improving health. Our SIM model will monitor and evaluate the progress SIM initiatives make to impact our statewide goals.

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